

1-1 By: Oliveira, Otto (Senate Sponsor - Williams) H.B. No. 4611
1-2 (In the Senate - Received from the House May 4, 2009;
1-3 May 6, 2009, read first time and referred to Committee on Finance;
1-4 May 23, 2009, reported favorably by the following vote: Yeas 12,
1-5 Nays 0; May 23, 2009, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the treatment of proceeds from sales of certain loans
1-9 and securities for purposes of apportionment under the franchise
1-10 tax.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Section 171.106, Tax Code, is amended by adding
1-13 Subsection (f-1) to read as follows:

1-14 (f-1) Notwithstanding Section 171.1055, if a lending
1-15 institution categorizes a loan or security as "Securities Available
1-16 for Sale" or "Trading Securities" under Financial Accounting
1-17 Standard No. 115, the gross proceeds of the sale of that loan or
1-18 security are considered gross receipts. In this subsection,
1-19 "Financial Accounting Standard No. 115" means the Financial
1-20 Accounting Standard No. 115 in effect as of January 1, 2009, not
1-21 including any changes made after that date. In this subsection,
1-22 "security" means a security as defined in Section 171.0001(13-a).

1-23 SECTION 2. This Act applies only to a report originally due
1-24 on or after the effective date of this Act.

1-25 SECTION 3. This Act takes effect January 1, 2010.

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